



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Monticello Field Office

P.O. Box 7

Monticello, Utah 84535

<http://www.blm.gov/utah/monticello>



IN REPLY REFER TO:

JUN - 3 2005

UTU-69775

UTU-69776

(UT-090)

Mr. Paul Baker

State of Utah

Department of Natural Resources

Division of Oil, Gas and Mining

1594 West North Temple, Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

RECEIVED

JUN 06 2005

DIV. OF OIL, GAS & MINING

Re: Notices of Intention to Commence Exploration and Small Mining Operations, Kimmerle Mining LLC, Neighbor Mine, East Canyon, San Juan County, Utah

Dear Mr. Baker:

We are enclosing a copy of the subject exploration and small mining notices for your review. The notices were received in our office on June 2, 2005. Pursuant to our regulations, we have 15 days from receipt to review the exploration notice and respond. Comments received from you prior to that date will be included in our response to the operator.

As agreed, the Utah Division of Oil, Gas and Mining (UDOGM) will be the lead agency for determining the amount and type of financial guarantee for the project. We understand that operations may not commence until an adequate bond is accepted by both agencies.

If you have questions or need additional information, please contact Ted McDougall of my staff at (435) 587-1512.

Sincerely,

Sandra A. Meyers

Field Office Manager

Enclosures:

Notice of Intention to Conduct Exploration

Notice of Intention to Commence Small Mining Operations